

C O N F I D E N T I A L

4296961

29th January, 1960

CORRIGENDUM to
COCOM Document No. 3854
English only.

COORDINATING COMMITTEE

CORRIGENDUM TO
RECORD OF DISCUSSION

ON

THE STANDARDIZATION OF REPORTING PROCEDURES
OF ADMINISTRATIVE EXCEPTIONS

21st January, 1960

Para 1. Line 2. Read "... the recommendations of the majority of the Drafting Group ..."

Para 2. Line 2. Read "... the majority of the Drafting Group had never ..."

C O N F I D E N T I A L

S. List Policy

C O N F I D E N T I A L

54

25th January, 1960.

COCOM Document No. 3854

COORDINATING COMMITTEE

RECORD OF DISCUSSION

ON

THE STANDARDIZATION OF REPORTING PROCEDURES

OF ADMINISTRATIVE EXCEPTIONS

21st January, 1960

Present: Belgium(Luxembourg), Canada, France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM 1766, 3700.10, 3851.

1. The CHAIRMAN recalled that on January 14th (COCOM 3851) the Committee had discussed the recommendations of the Drafting Group for standardizing the statistical reporting procedure for administrative exceptions. He invited Delegates to give the further views of their authorities.
2. The GERMAN Delegate, as Chairman of the Drafting Group, said that the Drafting Group had never been in any doubt as to whether licences or shipments should be reported for List I exceptions because they took it for granted that all member Countries referred to licences. The discussion which had ensued, however, showed the necessity for the Drafting Group to consider carefully the wording of the International Lists. The Delegate went on to say on behalf of his own Delegation that this particular question illustrated the difficulties that might arise if there were no standardization. The view of the German authorities as far as List I exceptions were concerned was that reporting should always refer to licensing, no matter what procedure or words were used. They felt that no doubt existed as to what the Committee intended. It seemed to be a paradox to speak of reporting "promptly" when recording only the shipment of equipment which might take 6 or 12 or even 18 months to manufacture after a licence had been granted. The Delegate agreed that since some definitions spoke of "shipments", therefore as far as the past was concerned, some national authorities had interpreted the Lists literally, but the German Delegation hoped that in future the reporting would always refer to licensing, otherwise the notion of promptness became illusive. Finally, the Delegate mentioned that it might be difficult to expect an effort of compromise on the part of Member Countries who advocated prior consultation instead of administrative exceptions if the Committee did not agree on the immediate reporting of licensing.
3. The UNITED KINGDOM Delegate agreed with the remarks made by his German colleague. The Committee now had the opportunity for making a clean sweep of the loose wording of the past and ensuring that anything it was proposed to export under the administrative exceptions should be reported in monthly statistics on the usual basis of licences issued. As far as the 6 items for which quicker reporting was required were concerned, his authorities looked forward to the time when this special procedure would be no longer necessary.
4. The BELGIAN Delegate associated himself with the remarks of the German Delegate. He was able to accept the recommendations of the Drafting Group (COCOM 3851, paragraph 1) with the reservation that once his authorities had issued a licence it could in no circumstances be cancelled, even, for example, if the equipment in question were subsequently embargoed. This was in conformity with the Committee's ruling on the observance of prior commitments.

C O N F I D E N T I A L

CONFIDENTIAL

- 2 -

COCOM Document No. 3854

5. The NETHERLANDS Delegate agreed with the statements of his Belgian, German and United Kingdom colleagues. He had confirmed with his authorities that all reporting from the Netherlands was based on licensing. Like the United Kingdom Delegate, he hoped that the provision for quicker reporting would be short-lived. If no exports were made of equipment covered by the items in question the procedure was superfluous, on the other hand if there were too many exports it would be up to the Committee to review the position. Finally, the Delegate stated that the cancellation of export licences was also not possible in the Netherlands.

6. The GERMAN Delegate endorsed the remarks made by the Belgian and Netherlands Delegates concerning prior commitments.

7. The FRENCH Delegate thanked the German, United Kingdom, Belgian and Netherlands Delegates for their statements, which he undertook to transmit to his Government. Referring to a point made by the German Delegate, the Committee had always studied the wording of the definitions at great length. It was thus difficult to understand how there could have been no difference in the Committee's intention at the time the words were adopted, especially as "shipments" and "licensing" were both completely different in both languages.

8. The UNITED STATES Delegate said that he agreed completely with the opening statement made by the German Delegate and he welcomed the support it had received from other Delegations. The United States views on this subject were already well known. He noted that the French Delegate would report the present discussion back to his Government and he expressed the hope that a speedy decision would be reached.

9. The CHAIRMAN suggested that the following text would be suitable for recording the Committee's agreement. He trusted that all Delegations would be able to give the views of their Governments before February 1st, the date for the entry into force of the new Lists.

"The Committee noted that the wording used in the Notes providing for administrative exceptions to some items on the embargo list (licences, shipments, transactions, operations, etc.) involved a risk of differences in application of the notification procedure, and that, consequently, certain national authorities might have been led to await the actual shipment of the items concerned before informing the Committee. While recognising that the national authorities had been justified in following such a course in the past, the Committee agreed that, as from the 1st February, 1960, notification as called for by the administrative procedures would be based in all cases on licences issued. The Committee agreed in consequence that the wording of the Notes appended to certain items on the International Lists would be standardized to this effect."

10. The BELGIAN, GERMAN, NETHERLANDS, UNITED KINGDOM and UNITED STATES Delegates accepted the text put forward by the Chairman.

11. The UNITED STATES Delegate said that his Government attached great importance to reaching agreement well before the date for the entry into force of the new Lists. They knew that the French Government would weigh very carefully the views expressed by the other Members of the Committee and trusted that full knowledge of the views of other Member Governments would enable the French Government to make it possible for the Committee to reach agreement by January 25th.

12. The FRENCH Delegate thanked the Chairman for his proposal, which he undertook to transmit to his Government together with the favourable comments that had been made. Replying to the last point made by the United States Delegate, he said that he was unable to give any undertaking on this point. He understood the concern expressed by the United States Delegate, however, and he assured the Committee that his Government would study the matter as one of urgency.

C O N F I D E N T I A L

CONFIDENTIAL

- 3 -

COCOM Document No. 3854

13. The CANADIAN Delegate stated that the experience of his authorities had been that reporting was more useful if it were based on licensing. He had no definite instructions on the recommendations of the Drafting Group.

14. The JAPANESE Delegate undertook to report the discussion back to his authorities. In Japan also it would not be possible to cancel a licence once issued.

15. The Delegations who were unable to adopt a final position with regard to the text suggested by the Chairman undertook to obtain the views of their Governments as soon as possible.

C O N F I D E N T I A L